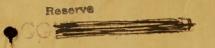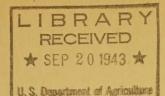RR-2-JAB-MCB
Revised,
May 7, 1940

Program Analysis Report No. 2, Revised
Planning and Control Section
Rural Rehabilitation Division

REGIONAL AND STATE DISTRIBUTION OF THE NEED FOR RURAL REHABILITATION

The distribution among the several states of conditions of rural poverty shown in Column E, Table I, has been prepared as a crude index of the need for rural rehabilitation activities. The index gives the estimated number of farm families with annual net incomes of less than $500 in each state and Region as a percentage of the total number of such families in the United States.

Table I. Total Number of Farm Families 1/ Compared With the Estimated Number of Farm Families Receiving Less than $500 Annual Net Income 2/, by State and Region

A	B	C	D	E
	Total number of farm families	Farm families with net incomes under $500		
Region and state		Estimated number	Proportion of all farm families in area	Number in area as proportion of United States total
	1,000 families	1,000 families	Percent	Percent
United States	6,812	1,703	25	100.0
Region I	611	79	13	4.6
Connecticut	32	3	9	.2
Delaware	10	1	10	.1
Maine	42	7	17	.4
Maryland	45	7	16	.4
Massachusetts	35	3	9	.2
New Hampshire	18	3	17	.2
New Jersey	30	2	7	.1
New York	177	20	11	1.2
Pennsylvania	191	28	15	1.6
Rhode Island	4	3/	10	4/
Vermont	27	4	15	.2
Region II	600	84	14	4.9
Michigan	197	35	18	2.1
Minnesota	203	30	15	1.7
Wisconsin	200	19	10	1.1

In reply refer to Drew C Co., C., Section
Planning and Control Section
Analytical Statistical Division

Re: ...

The distribution among the several states by municipalities of population as
in Figure 5, Table 1, has been interpreted as the basis of the rate per some
municipalities classes. The latter gives the attached number of places as
1930 with annual net incomes of less than 2500 in each state and indicates a
projection of the total number of such families. ... The table shows:

Table 1. Total number of some families of incomes less than the following
Incomes, Farm Families, families), April 1930, 1930 Annual Net
Income ...), by State and Section

Section and State	Total number			Estimated number
		Population	Farm families	
		Number families		
United States				

Table 1. Total Number of Farm Families 1/ Compared With the Estimated
Number of Farm Families Receiving Less than $500 Annual Net
Income 2/, by State and Region (continued)

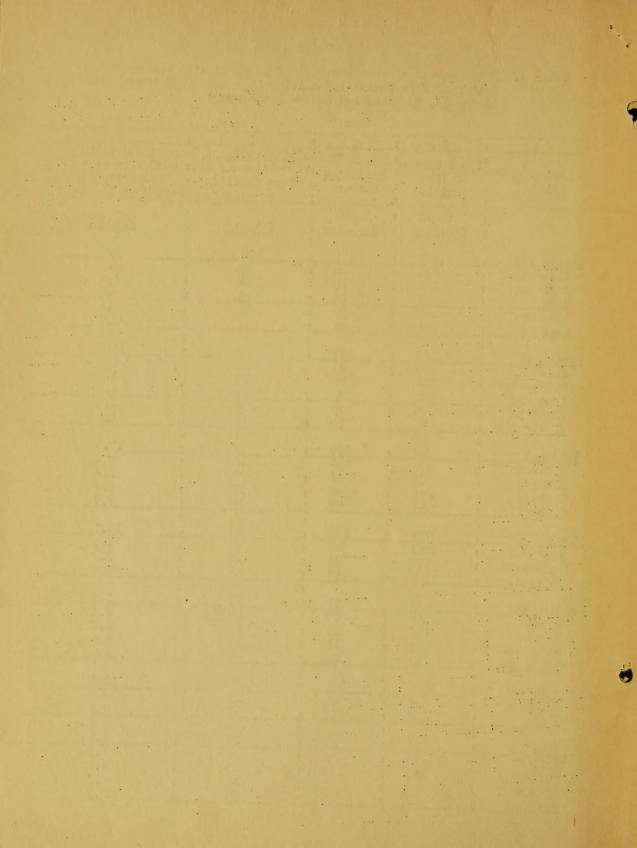| A	B	C	D	E
		Farm families with net incomes under $500		
Region and state	Total number of farm families	Estimated number	Proportion of all farm families in area	Number in area as proportion of United States total
	1,000 families	1,000 families	Percent	Percent
Region III	1,188	131	11	7.7
Illinois	231	26	11	1.5
Indiana	201	24	12	1.4
Iowa	222	12	5	.7
Missouri	279	40	14	2.4
Ohio	255	29	11	1.7
Region IV	1,155	335	29	19.7
Kentucky	278	83	30	4.9
N.Carolina	301	86	29	5.1
Tennessee	274	79	29	4.6
Virginia	198	59	30	3.5
W. Virginia	104	28	27	1.6
Region V	762	289	38	17.0
Alabama	273	109	40	6.4
Florida	73	21	29	1.2
Georgia	251	96	38	5.7
S.Carolina	165	63	38	3.7
Region VI	735	272	37	16.0
Arkansas	253	92	38	5.4
Louisiana	170	63	37	3.7
Mississippi	312	117	38	6.9
Region VII	459	151	33	8.9
Kansas	157	75	48	4.4
Nebraska	134	33	25	2.0
North Dakota	85	19	22	1.1
South Dakota	83	24	29	1.4
Region VIII	666	206	21	12.1
Oklahoma	208	44	21	2.6
Texas	458	162	35	9.5
Region IX	204	41	20	2.4
Arizona	19	5	26	.3
California	150	30	20	1.7
Nevada	4	1	25	.1
Utah	31	5	16	.3

Table 1. Total Number of Farm Families 1/ Compared With the Estimated
Number of Farm Families Receiving Less than $500 Annual Net
Income 2/, by State and Region (continued)

A	B	C	D	E
Region and state	Total number of farm families	Farm families with net incomes under $500		
		Estimated number	Proportion of all farm families in area	Number in area as proportion of United States total
	1,000 families	1,000 families	Percent	Percent
Region X	114	41	36	2.4
Colorado	46	17	37	1.0
Montana	51	19	37	1.1
Wyoming	17	5	29	.3
Region XI	194	31	16	1.8
Idaho	45	5	11	.3
Oregon	65	12	19	.7
Washington	84	14	17	.8
Region XII	124	43	35	2.5
Colorado	18	6	33	.3
Kansas	17	3	18	.2
New Mexico	41	22	54	1.3
Oklahoma	5	1	20	.1
Texas	43	11	26	.6

1/ U. S. Census of Agriculture, 1935. Figure includes only the families of
   farm operators.
2/ Estimates were calculated and arranged from Study of Consumer Purchases
   released by Bureau of Home Economics, USDA, based on 1935-36 surveys and
   U. S. Census of Agriculture, 1930. Both non-relief and relief (regardless
   of income) farm families are included. Tentative, subject to change on
   receipt of more nearly adequate data.
3/ Rhode Island -- 400 families.
4/ .02 percent.

This index for each Region was calculated by combining the information on farm
population in the 1935 Census of Agriculture with that from the preliminary
releases of the Study of Consumer Purchases by the Bureau of Home Economics,
U. S. Department of Agriculture. (See Program Analysis Report No. 1, Revised)

Having thus obtained for each Region the estimated number of farm families
with annual incomes of less than $500, this number of farm families was allo-
cated to each of the states composing the Region. Ratios of net to gross
income were derived for each state from the random sample of year before ac-
ceptance data as given in the Report of the Family Progress of Standard RR
Borrowers, 1939. On the basis of these ratios, data from the 1930 Census of
Agriculture on the relative number of farm families in each state in given
levels of gross income were used to apportion the Regional number of low-
income farm families to each state. It should be pointed out that this method

of estimation assumes that the relative distribution of farm population by gross income levels is the same, in general, as in 1930 within each state. Various income studies by the Bureau of Agricultural Economics and by the State Agricultural Experiment Stations appear to indicate that this assumption is valid, when applied within Regions, although such a process would be grossly inaccurate when applied to states widely separated geographically.

The number of farm families in each Region and state is given in Column B. This number was multiplied by the percentage in Column D, thus giving for each Region and state the estimated number of farm families whose annual net incomes were less than $500.

The figures shown in Table I should be interpreted in light of the following conditions. The figures used for the number of farm families as well as the income data refer to 1935. There have undoubtedly been some changes in respect to both conditions. Although population increases have not been uniform from Region to Region, it did not seem advisable to attempt to estimate the net effects of this differential rate of population growth.

The figures shown in Column C include all farm families on relief as well as the non-relief farm families whose annual net incomes were less than $500. It should be pointed out that these figures refer to the families of farm operators only; they do not include farm laborers, whether resident or migratory, nor non-farm families who reside in rural areas, but they do include sharecroppers in the Southern States.

The figure of $500 annual net income was chosen for two reasons: (1) this figure forms the dividing point between the lower one-fourth and the upper three-fourths of the farm families of the nation from the standpoint of income; (2) since the class intervals used in the Consumer Purchases Study were necessarily followed, it was felt that $500 was a more significant figure for the present purpose than $250 or $750.